

ORDINANCE NO. 14730

FILE OF CITY COUNCIL

BILL NO. 51 - 2009

JUNE 17, 2009

AN ORDINANCE

Amending the 2009 Capital Fund Budget to provide for a supplemental appropriation of Two Hundred Thousand (\$200,000) Dollars from the Environmental Protection Agency Brownfields Revolving Loan Fund. These funds will be passed on to the Allentown Economic Development Corporation for the demolition of the Calo Building, 27 North Front Street.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF ALLENTOWN:

SECTION ONE: That City Council authorizes a Two Hundred Thousand Dollar (\$200,000) increase to the Capital Fund.

SECTION TWO: That City Council authorizes a supplemental appropriation from the unappropriated balance of the Capital Fund in the following manner:

Brownfields Acquisition & Remediation:

001-03-1952-0911-46	Other Contract Services	\$200,000
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SECTION THREE: That this Ordinance take effect ten (10) days after final passage.

SECTION FOUR: That all Ordinances inconsistent with the above provisions are repealed to the extent of their inconsistency.

	Yea	Nay
Michael Donovan	X	
Jeanette Eichenwald	X	
Julio A. Guridy	X	
David M. Howells, Sr.		
Tony Phillips	X	
Peter G. Schweyer	X	
Michael D'Amore, President	X	
TOTAL	6	0

I hereby certify that the foregoing Ordinance was passed by City Council and signed by His Honor the Mayor on the 21st day of July, 2009.

Michael P. Hark
CITY CLERK

- **What Department or bureau is Bill originating from? Where did the initiative for the bill originate?**

DCED - Brownfields Revolving Loan Fund (BRLF) is managed by Real Estate Development Specialist. AEDC/ACIDA has applied for \$200,000 subgrant. Funds will come from EPA and will be awarded to City as part of BRLF availability.

- **Summary and Facts of the Bill**

The Ordinance will allow for a \$200,000 subgrant to be awarded to AEDC/ACIDA for the demolition of the structure known as Calo Building. AEDC is acting as developer. The funds come directly from EPA under the City's BRLF. The Resolution will allow DCED to appropriate the funds from the Capital Fund to AEDC.

- **Purpose – Please include the following in your explanation:**
 - **What does the Bill do – what are the specific goals/tasks the bill seek to accomplish**
 - **What are the Benefits of doing this/Down-side of doing this**
 - **How does this Bill related to the City's Vision/Mission/Priorities**

The Resolution will allow DCED to appropriate funds into Capital Account 1952. --- Funds will come from EPA, need to be appropriated by City and then issued as a subgrant to AEDC/ACIDA to cover demolition costs. Lehigh County is also a partner in this project and will issue a subgrant for this project under its own BRLF.---

The demolishing of the Calo Building will allow AEDC eliminate an unsafe and blighted structure while also remediating the environmental contamination present at the site. AEDC will then be able to market the site to developers as it will be a more feasible and financially attractive investment.

The City of Allentown needs to increase revenue/expand our tax base. Redevelopment and reuse of brownfield sites allows the city to increase revenue, but also helps to eliminate blight, and improve the quality of life of City residents by re-using these sites, building new structures and recruit new businesses that will deliver new products and services to our residents.

- **Financial Impact – Please include the following in your explanation:**
 - **Cost (Initial and ongoing)**
 - **Benefits (Initial and ongoing)**

There is no cost to the City as EPA is providing funding to the City under its BRLF. Benefits: increase tax base; remediation of environmental contamination; development/investment opportunities; potential recruitment of new businesses; improved quality of life for our residents.

- **Funding Sources – Please include the following in your explanation:**
 - **If transferring funds, please make sure bill gives specific accounts; if appropriating funds from a grant list the agency awarding the grant.**

Funds will be received from EPA and put into the Capital Account #1952.

- **Priority status/Deadlines, if any**

Demolition of Calo Building is scheduled for July 2009.

- **Why should Council unanimously support this bill?**

It does not represent an expense to the City. Funds come from EPA under the City's BRLF. Redevelopment and re-use of Brownfield sites is a priority to expand tax base and attract private investment to City. This is a partnership with Lehigh County, AEDC/ACIDA, EPA, LVEDC and LVLRI (LV Land Recycling Initiative) that will facilitate redevelopment of this site by addressing environmental contamination and removing a blighted structure.